

GOVERNMENT OF TELANGANA
ABSTRACT

Municipal Administration and Urban Development Department – Telangana Urban Finance and Infrastructure Development Corporation (TUFIDC) Ltd. – Constitution of Telangana State Urban Infrastructure Fund as a Trust under the Indian Trusts Act 1882 – Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UBS) DEPARTMENT

G.O.MS.No. 26.

Date: 09.01.2015

Read the following:

1. D.O.Lr.No.32/2014/Supt/TD/TUFIDC Dt.17.07.2014 from M.D, TUFIDC Ltd., Telangana Division).
2. Lr.No.32/2014/Supt/TD/TUFIDC(TD) Dt. 07.10.2014 from M.D, TUFIDC Ltd.

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ORDER:

The Managing Director, TUFIDC has reported that in the 7th Schedule of Andhra Pradesh Reorganisation Bill 2013, TSUIF was listed at item 40 as “Deposits of Andhra Pradesh Urban Infrastructure Fund” but it has not been listed in anywhere in any schedule of the A.P. Reorganisation Act 2014. He has also reported that Central Government Schemes like Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and Andhra Pradesh Municipal Development Project are being operated through APUIF and there is immediate need to create Telangana State Urban Infrastructure Fund exclusively for the state of Telangana and requested to issue orders for creating Telangana State Urban Infrastructure Fund (TSUIF).

2. The Government after careful consideration and in consultation with G.A. (SR) Department and Finance Department, here by create Telangana State Urban Infrastructure Fund as a Trust under the Indian Trusts Act 1882 for the state of Telangana. The TUFIDC shall act as Asset Management Company/Fund Manager to Telangana State Urban Infrastructure Fund (TSUIF) to manage and release the funds to Telangana State for the schemes being implemented by TUFIDC with the following covenants:

Structure

Institutional Framework

The new institutional arrangement shall be a two-tier organizational structure viz., a TRUST that should hold the fund and an Asset Management Company as the FUND MANAGER of the Trust.

(i) The Trust shall be settled in terms of the provisions of the Indian Trusts Act 1882 under the name and style of 'TELANGANA STATE URBAN INFRASTRUCTURE FUND' (TSUIF) and the Trust shall be registered and function as a registered Trust.

(ii) TSUIF Trust Fund shall comprise the following components:

- a) Revolving Fund;
- b) Debt Service Reserve Fund;
- c) Loan Fund;
- d) Grant fund inclusive of Project Development Facility;
- e) Scheme Fund.

(iii) A Debt-Service Fund shall be created under Commissioner and Director of Municipal Administration, Hyderabad.

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(iv) The Project Development Facility, under the TSUIF shall provide grants for various components viz., Institutional development, Project Development and Advisory services.

(v) TSUIF shall facilitate the sustained development of urban infrastructure in the State by enabling urban local bodies and other local entities to have access to capital, by supporting urban sector reforms to make them creditworthy and eventually access the capital market on their own, and by facilitating public-private community initiative for building urban infrastructure.

(vi) The main objectives of the Trust are as follows:

- a) To fund urban infrastructure projects for improving the living standards of urban population, including the urban poor through a revolving fund.
- b) To assist urban local bodies and other agencies providing urban infrastructure in accessing the capital market, individually or jointly through pooled finance arrangements.
- c) To operate a complementary window, to assist urban local bodies and other agencies by way of grants, on issues relating to project design and management and in addressing the problems of the urban poor and the issues of environmental conservation.
- d) To facilitate private sector participation in infrastructure through joint ventures and through formats such as public-private-community partnerships.
- e) Capacity building, including financial management of urban local bodies to enable them to access debt finance from the market.

3. The Managing Director, TSUFIDC shall send separate proposals for appointment of Board of Trustees, sanction of Unit Capital contribution etc., and other covenants for smooth functioning of the trust.

4. This order issued with the concurrence of Finance Department vide U.O. No. 6947/214/EBS-VIII/14 Dt. 09.12.2014

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

Dr.S.K.JOSHI
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Managing Director, TUFIDC Ltd., Hyderabad

The Commissioner and Director of Municipal Administration, Hyderabad

The Project Director, Telangana Municipal Development Project, Hyderabad

Copy to:

The Commissioner, Greater Hyderabad Municipal Corporation, Hyderabad

The Managing Director, Hyderabad Metropolitan Water Supply and Sewerage Board, Hyderabad

The Vice Chairman and Managing Director, APSRTC, Hyderabad

The Chief Engineer, (Public Health), Hyderabad

The Mission Director, MEPMA, Telangana Division, Hyderabad

The Director of Town and Country Planning, Hyderabad.

The P.S. to Principal Secretary, MA.,

SC/SF

//FORWARDED BY ORDER//

ASSISTANT DIRECTOR